

## Message Text

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USEEC

ROME FOR FODAG; PARIS FOR OECD AND UNESCO; VIENNA FOR UNIDO  
AND IAEA

EO 11652: NA  
TAGS: ECOSOC, UN  
SUBJ: 63RD ECOSOC: STATEMENT BY AMB YOUNG

TRANSMITTED BELOW IS TEXT OF STATEMENT BY AMB YOUNG AT  
THE 63RD SESSION OF THE UNITED NATIONS ECONOMIC AND SOCIAL  
COUNCIL, IN GENERAL DEBATE, ON JULY 8, 1977, AT GENEVA:  
BEGIN TEXT:  
MR. PRESIDENT AND FELLOW DELEGATES:

AT THIS SESSION OF THE ECONOMIC AND SOCIAL COUNCIL OUR MAJOR EMPHASIS  
WILL BE ON ECONOMIC DEVELOPMENT AND THE REVIEW OF UNITED NATIONS  
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PROGRAMS TOUCHING EVERY ASPECT OF THE ECONOMIC LIFE OF NATIONS,  
FROM INDUSTRIAL DEVELOPMENT TO AGRICULTURE, AND HOW THEY ARE BEST  
COORDINATED. BUT, WHETHER WE ARE DISCUSSING THE RESTRUCTURING THE  
ECONOMIC AND SOCIAL SECTORS OF THE UNITED NATIONS, FOLLOW-UP TO  
THE HABITAT CONFERENCE, THE PROBLEMS OF PROMOTING INDUSTRIAL  
DEVELOPMENT IN DEVELOPING COUNTRIES, OR THE NEED TO SUPPRESS ILLICIT  
PAYMENTS IN COMMERCIAL TRANSACTIONS, OUR OBJECT IS THE SAME:

TO BEST MARSHALL OUR RESOURCES AS NATIONS AND AS AN ORGANIZATION SO THAT THEY MAY BRING THE GREATEST LASTING BENEFIT TO THE GREATEST NUMBER OF PEOPLE.

SO, THE "ECONOMICS" AND "ORGANIZATION" WE ARE TREATING HERE CANNOT BE HANDLED BY ECONOMISTS OR ADMINISTRATORS ALONE OR BY OTHER "EXPERTS." THEY REQUIRE THE ATTENTION OF DEDICATED PERSONS OF EVERY PERSUASION. THEY ALSO REQUIRE THE WILL OF GOVERNMENTS AND, ULTIMATELY , THE COMMITMENT OF THE PEOPLE THEY REPRESENT.

NEVER HAS THIS COMMON POLITICAL AND PUBLIC WILL BEEN MORE IMPORTANT, FOR, TODAY, WE STAND AT THE THRESHOLD OF A NEW ERA. THE NATIONS OF THE DEVELOPED AND DEVELOPING WORLD HAVE CROSSED A DIFFICULT PERIOD. WE KNOW NOW THAT WE CAN AND MUST COOPERATE, AND THAT OUR ASPIRATIONS TO NOT DIFFER AS MUCH, IN NORTH AND SOUTH, EAST AND WEST, AS WE THOUGHT. RATHER, WE HAVE BEGUN A PERIOD WHEN WE MUST FIND THE BEST METHODS AND STRUCTURES FOR COLLABORATION IN MEETING THE COMMON ASPIRATIONS OF ALL MEN.

THIS SEARCH IS AN EVOLVING PROCESS WHICH, IN OUR VIEW, MUST BE OPEN TO THE IDEAS OF ALL CONCERNED. NO SINGLE BLUEPRINT CAN POSSIBLY SET IN CONCRETE THE FINAL ANSWERS TO THE PROBLEMS WE ALL SEEK TO SOLVE. IN A SENSE WE ARE INVOLVED IN A ROLLING, NEVER-ENDING PROCESS TOWARD OBJECTIVES WHICH MUST CONSTANTLY BE READJUSTED -- A PROCESS THAT INVOLVES PERSEVERANCE IN PURSUING VALID CONCEPTS

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BUT AT THE SAME TIME PERMITS THE INCORPORATION OF NEW IDEAS AND THE ABANDONMENT OR REVISION OF THOSE THAT PROVE UNWORKABLE OR UN-ATTAINABLE. THE ONLY UNCHANGEABLE ELEMENT IN THIS PROCESS IS ITS FUNDAMENTAL PURPOSE: THE ACHIEVEMENT OF ECONOMIC JUSTICE FOR NATIONS AND FOR PEOPLE.

THE ASPIRATIONS OF THE DEVELOPING COUNTRIES -- THE THIRD WORLD-- FOR ACHIEVING ECONOMIC JUSTICE HAVE COME TO BE SYMBOLIZED IN THE PHRASE

"NEW INTERNATIONAL ECONOMIC ORDER." WE SUPPORT THIS CONCEPT, WHATEVER PARTICULAR PHRASE IS USED TO EXPRESS IT. PRESIDENT CARTER IN HIS FIRST MAJOR FOREIGN POLICY ADDRESS, MADE IN THE HALL OF THE GENERAL ASSEMBLY, STATED OUR COUNTRY'S READINESS TO "PROMOTE A NEW SYSTEM OF INTERNATIONAL ECONOMIC PROGRESS AND READINESS TO "PROMOTE A NEW SYSTEM OF INTERNATIONAL ECONOMIC PROGRESS AND COOPERATION." SECRETARY OF STATE VANCE AT THE PARIS CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION CALLED FOR "A NEW INTERNATIONAL ECONOMIC SYSTEM" IN WHICH THERE MUST BE EQUITY, GROWTH AND ABOVE ALL JUSTICE.

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OUR PROBLEMS WITH THE PARTICULAR PHRASE "NEW INTERNATIONAL ECONOMIC ORDER" AROSE FROM ITS ASSOCIATION WITH THE TWO RESOLUTIONS ADOPTED BY THE 6 SPECIAL SESSION OF THE GENERAL ASSEMBLY IN 1974, ON WHICH WE HAD -- AND CONTINUE TO HAVE -- SOME SERIOUS RESERVATIONS BUT THE NATURE OF THESE RESERVATIONS SHOULD BE UNDERSTOOD. THEY HAVE NEVER MEANT THAT WE OBJECT TO THE TOTALITY OF THOSE DOCUMENTS, AS THERE IS MUCH IN THEM WITH WHICH WE CAN AGREE. NOR DO THEY MEAN IN ANY WAY THAT WE OBJECT TO THE BROAD CONCEPT OF ACHIEVING A NEW AND MORE EQUITABLE INTERNATIONAL ECONOMIC ORDER. QUITE THE CONTRARY.

WE PLAN TO MAKE THIS DISTINCTION CLEARER THAN WE HAVE HERTOFORE WHEN WE ARE ASKED TO JOIN IN REITERATING THE GOAL OF ACHIEVING A NEW INTERNATIONAL ECONOMIC ORDER. WHEREVER THE CONTEXT PERMITS WE WILL INTERPRET THIS TO MEAN THE BROAD, EVOLVING CONCEPT I HAVE BEEN DISCUSSING, AND ON THAT BASIS WE WILL INDEED JOIN IN SUPPORTING IT. ON THE OTHER HAND, WE WILL NOT BE ABLE TO JOIN WHEN WE ARE ASKED TO DNDORSE OR IMPLEMENT THE PROVISIONS OF THE 6TH SPECIAL  
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SESSION RESOLUTIONS AS A WHOLE OR TO CRITICIZE OURSELVES FOR NOT DOING SO. WE TAKE OUR RESERVATIONS SERIOUSLY.

OUR PREFERENCE IS TO EXPLORE WITH YOU, MY FELLOW DELEGATES, EVERY COMPATIBLE AND WORKABLE MEANS OF ACHIEVING THE MORE JUST SYSTEM THAT THE "NEW ORDER" IMPLIES. WE WILL CONTRIBUTE OUR OWN IDEAS AND ASK THAT YOU EXAMINE THEM JUST AS WE EXAMINE YOURS. WE FURTHER ASK THAT YOU UNDERSTAND OUR POSITIONS BUT ALSO OUR SINCERE INTENTION TO WORK FOR CHANGES IN INTERNATIONAL ECONOMIC RELATIONSHIPS --CHANGES THAT WILL ACCELERATE THE PROGRESS OF THE DEVELOPING COUNTRIES AND THAT WILL AT THE SAME TIME REPRESENT A TRUE CONSENSUS OF INTEREST AND OF RESOLVE. THE INTERNATIONAL ECONOMIC ORDER IS, AFTER ALL, A SYSTEM OF RELATIONSHIPS AMONG ALL NATIONS THE PROCESS OF CHANGE, THEREFORE, MUST BE THROUGH AN EVOLVING CONSENSUS THAT TAKES INTO ACCOUNT THE ECONOMIC SYSTEMS, THE INTERESTS AND THE IDEAS OF ALL COUNTRIES. THUS WE ARE TALKING ABOUT A PROCESS, OR A BROAD FRAMEWORK FOR DIALOGUE AND PROGRESS, AS MUCH AS AN "ORDER"

IT WILL INVOLVE NEGOTIATION, AGREEMENT, BUT ALSO DISAGREEMENT. IT MUST BE DYNAMIC, NOT STATIC OR STAGNANT.

THE TIME SEEMS RIPE FOR THIS MANNER OR EXCHANGE. NEW IDEAS -- IDEAS THAT GROW OUT OF A COMMON QUEST AND OUT OF NEW EXPERIENCE -- ARE USUALLY GENERATED IN AN ATMOSPHERE OF COMMON SEARCH MORE THAN FROM ONE OF MUTUAL DISTRUST. IT IS THAT LESSON THAT THE NATIONS OF NORTH AND SOUTH ARE LEARNING AGAIN TODAY.

PERHAPS YOU WILL ALLOW ME TO THINK OUT LOUD ON THESE ISSUES -- NOT OFFERING A NEGOTIATING POSITION, BUT MAINLY RAISING QUESTIONS.

WE HAVE JUST CONCLUDED A SUCCESSFUL EXPERIMENT IN DISCUSSING INTERNATIONAL ECONOMIC PROBLEMS IN A SMALL BUT STILL REPRESENTATIVE FORUM, THE CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION IN PARIS. WE

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HAVE REACHED AGREEMENTS ON A NUMBER OF KEY AREAS: THE NEED FOR SUBSTANTIAL AND EFFECTIVE INCREASES IN FLOWS IN DEVELOPMENT ASSISTANCE; THE NEED FOR SPECIAL EFFORTS FOR THE POOREST NATIONS, AS EXEMPLIFIED BY THE SPECIAL ACTION PROGRAM; PROGRAMS TO ACCELERATE THE DEVELOPMENT OF BOTH NEW AND CONVENTIONAL ENERGY SOURCES IN DEVELOPING COUNTRIES; THE ESTABLISHMENT OF A COMMON FUND; AND ON INCREASED EFFORTS TO AID INFRASTRUCTURE DEVELOPMENT IN AFRICA. IN OTHER AREAS, WE HAVE NOT YET AGREED. BUT THE MOST IMPORTANT GAIN OF ALL, MR PRESIDENT, WAS IN UNDERSTANDING WE HAVE COME NOT ONLY TO APPRECIATE EACH OTHER'S VIEWS AND POSITIONS, BUT THE REASONS FOR THEM, DERIVED FROM NATIONAL CONDITIONS, TRADITION AND PHILOSOPHY.

NOW, THESE QUESTIONS HAVE COME BACK TO THE UNITED NATIONS, WHERE WE HAVE HELD OPEN THE 31ST SESSION OF THE GENERAL ASSEMBLY TO REVIEW THE RESULTS OF THE PARIS CONFERENCE. SO, TOO, DO ALL QUESTIONS TOUCHING ON THE EVOLUTION OF THE WORLD ECONOMY RETURN FOR DISCUSSION TO THE

UNITED NATIONS. WE WELCOME THIS FACT NOT ONLY BECAUSE WE HAVE SUPPORT

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ED THE UNITED NATIONS SINCE ITS FOUNDATION BUT PRICISELY BECAUSE  
IT IS IN THE UNITED NATIONS WHERE ALL CONSIDERATIONS PERTAINING TO  
THE WELFARE OF MEN AND WOMEN AS INDIVIDUALS CAN BE TAKEN INTO ACCOUNT

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WHEN THE UNITED NATIONS SYSTEM DEALS WITH ECONOMIC QUESTIONS, IT IS  
CLEARLY THE GENERAL ASSEMBLY WHICH IS THE FORUM OF HIGHEST RESORT.  
IN THE ASSEMBLY, WHERE ALL MEMBER NATIONS ARE REPRESENTED, EACH  
DELEGATION HAS A CHANCE TO EXPRESS ITS NATIONAL VISION FOR THE  
FUTURE, AND EACH HAS A CHANCE TO GIVE THE OPINION OF ITS GOVERNMENT  
ON PROBLEMS AND PROPOSALS FOR ECONOMIC COOPERATION.

BUT, WHAT OF ECOSOC? WHAT ARE THE ADVANTAGES TO BE DRAWN FROM THE  
SPECIAL NATURE OF THIS BODY, WITH ITS SMALLER, BUT EQUITABLY DE-  
RIVED MEMBERSHIP AND ITS CLOSER LINK TO SPECIFIC PROBLEMS AND UN  
MECHANISMS? ONE OF THESE ADVANTAGES, POTENTIALLY, WOULD BE TO  
USE ECOSOC FOR A MORE OPEN DIALOGUE, FOR A KIND OF CONSENSUS BUILD-  
ING. MY GOVERNMENT IS OPEN TO ALL OTHER IDEAS AS WELL. WE WANT THE  
UNITED NATIONS, AND ALL OF ITS ORGANS, INCLUDING ECOSOC, EACH IN ITS  
OWN WAY, TO BE AS EFFECTIVE AS POSSIBLE AS A MEANS OF MAKING CON-  
TINUOUS ECONOMIC AND SOCIAL PROGRESS.

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HENCE, WE MUST BRING TO BEAR A MAXIMUM OF COOPERATION, OF OPENNESS TO NEW IDEAS, AND OF WILLINGNESS TO ACCEPT CHANGE, IN OUR WORK ON THE RESTRUCTURING OF THE ECONOMIC AND SOCIAL SECTORS OF THE UNITED NATIONS SYSTEM.

AS A FORMER UNITED STATES CONGRESSMAN LONG CONCERNED WITH THE ROLE OF THE UNITED NATIONS, I HAVE ALSO BEEN FAMILIAR WITH CRITICISMS OF ITS DEFICIENCIES AS AN ORGANIZATION, PARTICULARLY IN THE VITAL ECONOMIC AND SOCIAL SECTORS. THESE CRITICISMS HAVE NOT BEEN PECULIAR TO THE US; INDEED, THEY FOUND EXPRESSION IN CONSENSUS RES 3362 OF THE 7TH SPECIAL SESSION, WHICH CALLED INTO BEING THE AD HOC COMMITTEE ON RESTRUCTURING.

WE WILL NOT BE SPENDING MUCH OF OUR FORMAL TIME ON THE COMMITTEE'S WORK, BUT I KNOW THAT AMB DADZIE AND HIS FRIENDS HAVE BEEN WORKING HARD TO PREPARE A TEXT WHICH WE CAN EXAMINE AT OUR RESUMED SESSION AND PASS TO THE 32ND GENERAL ASSEMBLY. THIS GROUP IS A PARTICULARLY INVENTIVE ONE; MY DELEGATION IS PLEASED TO BE TAKING AN ACTIVE ROLE IN IT, AND IS CONFIDENT THAT THE RESULTS WILL JUSTIFY THE 2 YEARS OF EFFORT THAT AMB DADZIE AND THE MEMBERS OF THE COMMITTEE, FROM NORTH AND SOUTH, EAST AND WEST, HAVE BEEN PUTTING INTO IT.

ONE OF THE ORGANS OF THE UNITED NATIONS WHICH HAS MOST REFLECTED THE ASPIRATION FOR CHANGE IS UNCTAD. I DO NOT WANT TO MAKE MY FIRST ADDRESS IN GENEVA WITHOUT MENTIONING THIS ORGANIZATION. MY GOVERNMENT HAS BEEN PARTICIPATING FULLY IN THE WORK OF UNCTAD ON COMMODITIES WITHIN THE FRAMEWORK OF THE INTEGRATED PROGRAM. WE LOOK FORWARD TO THE CONCLUSION OF A NUMBER OF COMMODITY AGREEMENTS; WE SUPPORT THE CREATION OF A COMMON FUND TO HELP FINANCE THESE AGREEMENTS, A COMMON FUND WHICH WILL BE A KEY COMPONENT IN ASSURING THAT THE PRODUCERS OF THESE COMMODITIES CAN EXPECT MORE STABLE PROCEEDS AS AN INPUT TO THEIR PLANNED DEVELOPMENT. I AM CONFIDENT THAT UNCTAD WILL FIND OTHER CHALLENGES TO MEET AS WELL. I HAVE ALREADY MET WITH THE

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DISTINGUISHED SECRETARY GENERAL OF UNCTAD, MR GAMANI COREA, TO EXPLORE WAYS IN WHICH WE CAN STRENGTHEN OUR COOPERATION IN AREAS OF UNCTAD'S RESPONSIBILITY, IN MEETING OUR COMMON GOALS OF DEVELOPMENT.

MY GOVERNMENT IS ALSO ANXIOUS TO STRENGTHEN THE WORK OF THE UNITED NATIONS REGIONAL COMMISSIONS. THE US FINDS MOST ENCOURAGING THE VERY FRANK AND CONSTRUCTIVE ATTENTION THAT ECLA SECRETARIAT AND THE COMMISSION'S 17TH SESSION HAVE GIVEN TO THE URGENT NEED TO MOLD

TOGETHER THE CONCEPTS OF SOCIAL JUSTICE AND ECONOMIC DEVELOPMENT  
SO THAT THE POOREST PEOPLE OF THE REGION MAY SHARE IN THE FRUITS  
OF LATIN AMERICA'S IMPRESSIVE ECONOMIC GROWTH.

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ECLA AND THE OTHER REGIONAL ECONOMIC COMMISSIONS ARE LIMITED GEO-  
GRAPHICALLY, WHILE SOME OTHER BODIES OF THE UNITED NATIONS CAN BE  
SAID TO BE LIMITED IN DURATION -- I REFER TO UNITED NATIONS CONFERENCE  
-

ES. I BELIEVE 1977 CAN BE SAID TO MARK A PARTICULARLY IMPORTANT YEAR  
IN THIS REGARD. AT MAR DEL PLATA IN ARGENTINA, WE ACHIEVED CONSENSUS  
ON A PLAN OF ACTION FOR CONCRETE STEPS IN THE DOMAIN OF WATER RE-  
SOURCES. SOON, WE WILL BE HOLDING THE U.N. CONFERENCE ON DES-  
ERTIFICATION IN NAIROBI, KENYA, TO DEAL WITH A TRAGIC PROBLEM AFF-  
ECTING MANY LANDS, BUT MOST ACUTELY A NUMBER OF THE POOREST.

THIS YEAR ALSO SAW THE FIRST MEETING OF THE ECOSOC COMMITTEE ON SCIENCE  
AND TECHNOLOGY IN ITS CAPACITY AS PREPARATORY COMMITTEE FOR THE  
1979 CONFERENCE ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT. I WOULD  
NOT HIDE MY DELEGATION'S DISAPPOINTMENT AT THE EXCESSIVE EMPHASIS  
ON PERSONNEL QUESTIONS WHICH SEEMS TO HAVE MARKED THE PREPARATORY  
WORK SINCE THE CONCLUSION OF THAT MEETING. IT HAD BEEN MY COUNTRY'S  
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HOPE THAT THE RESOLUTION PASSED BY CONSENSUS AT THE 61ST ECOSOC PROVIDED A SUFFICIENT BASIS FOR DEALING WITH THIS PROBLEM.

MR PRESIDENT, MY GOVERNMENT REMAINS WILLING TO ASSURE THE FULLEST POSSIBLE CONTRIBUTION TO THE CONFERENCE -- BY AMERICAN BUSINESS, AMERICAN UNIVERSITIES AND THE ENTIRE AMERICAN SCIENTIFIC COMMUNITY. WE REMAIN WILLING TO SERVE AS HOST FOR THE CONFERENCE. BUT THE UNITED STATES ALONE CANNOT ASSURE ITS SUCCESS. ECOSOC HAS A SPECIAL RESPONSIBILITY IN THIS REGARD, AND IT MUST EXERCISE IT.

I HAVE NOT DWELT ON THIS CONFERENCE FOR ITS OWN SAKE, BUT BECAUSE IT TOUCHES ON A THEME ESSENTIAL TO ECONOMIC DEVELOPMENT AND TO THE EXTENSION OF EVERY MAN'S CAPACITY FOR SELF-REALIZATION -- THE APPLICATION OF SCIENCE AND TECHNOLOGY TO DEVELOPMENT.

MR PRESIDENT, THE GREATEST CONTRIBUTION THAT INDUSTRIALIZATION AND THE TRANSFER OF TECHNOLOGY CAN MAKE IS TO THE REALIZATION OF HUMAN POTENTIAL. HENCE, WHEN WE VISUALIZE THE TRANSFER OF TECHNOLOGY, WE DO NOT CONCEIVE OF A PACKAGE TIED WITH RIBBON. THE BASIS FOR ANY SUCH TRANSFER IS EDUCATION -- SO THAT MODERNIZATION MAY TRULY TAKE ROOT IN A COUNTRY. HENCE, WE SEE TRAINING, WE SEE EDUCATIONAL EXCHANGES. WE SEE RESEARCH WITH THE NEEDS OF THE DEVELOPING COUNTRIES IN MIND -- IN WHICH MY COUNTRY IS THE LEADER AMONG THE INDUSTRIALIZED NATIONS. WE SEE GOVERNMENTS COLLABORATING IN AN EFFORT TO INSURE THAT TECHNOLOGIES APPLIED ARE TRULY APPLICABLE TO THE NEEDS OF THE COUNTRY WHERE THEY WILL BE USED. AND, OF COURSE, WE SEE IMPORT -  
-  
ANT CONTRIBUTION OF THE BUSINESS WORLD.

I THINK WE CAN AGREE THAT PRIVATE COMPANIES AND STATE-OWNED ENTERPRISES, FIRMS IN MARKET ECONOMY COUNTRIES AND IN INDUSTRIAL SOCIALIST COUNTRIES, INDUSTRIES IN THE DEVELOPED AND DEVELOPING WORLD ALIKE, CAN AND MUST CONTRIBUTE TO THE EXPANSION OF INDUSTRIAL CAPACITY  
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THROUGHOUT THE WORLD. I NEED HARDLY REPEAT THE FACT THAT INVESTMENTS HAVE PROVIDED FOR TRANSFERS OF REAL RESOURCES WELL IN EXCESS OF THOSE ARISING FROM OFFICIAL DEVELOPMENT ASSISTANCE.

WHAT IS PERHAPS MORE OFTEN FORGOTTEN IS HOW INTERNATIONAL INVESTMENT CAN CONTRIBUTE TO THE ADVANCEMENT OF HUMAN CAPACITIES AS WELL, THROUGH THE DEVELOPMENT OF INDUSTRIAL SKILLS. IN THE BUSINESS WORLD, PERHAPS MORE THAN ANY OTHER, MEN AND WOMEN ARE ADVANCED ON THE BASIS OF THEIR CAPACITIES; THIS IS PARTICULARLY TRUE WHEN BUSINESS IS IMPLANTED IN A DEVELOPING COUNTRY. THE EAR OF THE EXPATRIATE TECHNICIAN AND MANAGER HAD FADED; NEW GENERATIONS OF BOTH CAN BE TRAIN-



ED IN DEVELOPING COUNTRIES AS THE NEED FOR THEM ARISES.

THIS IS THE ROLE INVESTMENT CAN FULFILL. DEVELOPING COUNTRIES THEMSELVES MUST DECIDE WHETHER THEY WANT THIS, AND UNDER WHAT CONDITIONS. WHAT IS IMPORTANT IS THAT THESE CONDITIONS BE MUTUALLY UNDERSTOOD.

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ALREADY TODAY, AND FULLY CONSISTENT WITH THE GOAL OF ATTAINING A NEW INTERNATIONAL ECONOMIC ORDER, DEVELOPING COUNTRIES ON EVERY CONTINENT, AND WITH EVERY ECONOMIC PHILOSOPHY, HAVE LEARNED THAT THEY CAN REACH AGREEMENTS WITH MULTINATIONAL CORPORATIONS THAT FULLY TAKE INTO ACCOUNT THEIR INTERESTS, THEIR DEVELOPMENTAL PRIORITIES, AND THEIR NATIONAL SOVEREIGNTY.

UNDER OUR SYSTEM THE US GOVERNMENT CANNOT DICTATE TO AMERICAN COMPANIES WHERE THEY SHOULD TRANSFER TECHNOLOGY, OR WHERE THEY SHOULD PARTICIPATE IN THE CREATION OR REDEPLOYMENT OF INDUSTRIES. INVESTMENT IMPLIES FREELY NEGOTIATED CONTRACTS, AND RESPECT FOR THE RIGHTS OF THE INVESTOR; IT IMPLIES MUTUAL BENEFITS. THE DECISIONS OF AMERICAN FIRMS TO TRANSFER CAPITAL OR TECHNOLOGY REST WITH THEM, BUT DEPEND IN LARGE MEASURE ON THE CONDITIONS SET BY HOST COUNTRIES.

WE BELIEVE THE UNITED NATIONS CAN HELP IN CLARIFYING THE CONDITIONS

UNDER WHICH MUTUALLY ACCEPTABLE ARRANGEMENTS ARE POSSIBLE. THROUGH  
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THE CENTRE FOR TRANSNATIONAL CORPORATIONS, THROUGH STUDIES OF UNITAR, THROUGH WORK IN UNCTAD, AND IN THE COMMISSION ON TRANSNATIONAL CORPORATIONS, WE CAN LEARN TO DEAL IN CONSTRUCTIVE AND POSITIVE WAYS WITH THE REAL ISSUES THAT AFFECT COMMERCIAL RELATIONS BETWEEN COUNTRIES -- IN PARTICULAR THE RELATIONS BETWEEN MULTINATIONAL CORPORATIONS AND THE COUNTRIES IN WHICH THEY OPERATE.

IN THE SECOND SESSION OF THE COMMISSION ON TRANSNATIONAL CORPORATIONS HELD IN LIMA IN 1976, WE AGREED TO GIVE HIGHEST PRIORITY TO THE DEVELOPMENT OF A CODE OF CONDUCT RELATING TO TRANSNATIONAL CORPORATIONS. WE HAVE PARTICIPATED FULLY AND ACTIVELY IN THE WORKING GROUP ESTABLISHED TO DEVELOP SUCH A CODE. WE ARE AWARE THAT THERE REMAIN AREAS OF SERIOUS DIFFICULTY BUT NEVERTHELESS HOPE THAT THERE WILL BE SIGNIFICANT PROGRESS IN THE NEAR FUTURE IN THE DEVELOPMENT OF A CODE THAT IS MUTUALLY SATISFACTORY TO ALL OF US.

IN THIS SAME SPIRIT, WE SHOULD ALSO PROCEED WITH THE DEVELOPMENT OF A REALISTIC AND BALANCED CODE OF CONDUCT, OR GUIDELINES, FOR THE TRANSFER OF TECHNOLOGY.

IN THIS CONTEXT, MR PRESIDENT, LET ME ALSO REFER TO THE WORK OF THE AD HOC INTERGOVERNMENTAL WORKING GROUP ON THE PROBLEM OF CORRUPT PRACTICES WHICH WAS ESTABLISHED BY THE 61ST SESSION OF THIS COUNCIL. THE WORKING GROUP WILL PRESENT TO US AT THIS SESSION A REPORT WHICH FULFILLS THAT PART OF ITS MANDATE CALLING FOR IT "TO ELABORATE IN DETAIL THE SCOPE AND CONTENTS" OF AN INTERNATIONAL AGREEMENT DEALING WITH ILLICIT PAYMENTS. MY GOVERNMENT ATTACHES THE HIGHEST PRIORITY TO THIS EFFORT.

I AM IMPRESSED THAT IN THIS AREA -- THE PROBLEM OF ILLICIT PAYMENTS, INCLUDING BRIBERY -- WE ARE OPERATING ON THE BASIS OF FUNDAMENTAL AGREEMENT. WE ALL AGREE THAT BRIBERY OF PUBLIC OFFICIALS CORRUPTS NATIONAL INSTITUTIONS; THAT IT DISTORTS ECONOMIC DECISION MAKING  
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AND THEREBY IMPEDES THE DEVELOPMENT PROCESS; THAT IT RAISES THE COSTS OF GOODS AND SERVICES TO THE CONSUMER AND AFFECTS THE NATIONAL BALANCE OF PAYMENTS. THE NATIONAL LAWS OF ALMOST ALL OF THE MEMBERS OF THIS COUNCIL EXPLICITLY PROHIBIT BRIBERY OF THEIR PUBLIC OFFICIALS

AND IN RES 3514 OF THE 30TH SESSION OF THE GENERAL ASSEMBLY, WE AGREED ON THE NEED FOR INTERNATIONAL COOPERATION TO PREVENT AND ELIMINATE SUCH PRACTICES. ACCORDINGLY WE WOULD SINCERELY HOPE THA

T,  
IN CONSIDERING THE REPORT OF THE WORKING GROUP, THE COUNCIL WILL  
MAKE THE NECESSARY ARRANGEMENTS TO COMPLETE THE NEGOTIATION OF AN  
INTERNATIONAL AGREEMENT.

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AMEMBASSY PARIS  
AMEMBASSY VIENNA  
USMISSION USUN NEW YORK  
AMEMBASSY BRUSSELS

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WORK ON SUCH AN AGREEMENT SHOULD NOT DETRACT FROM OUR CONTINUING  
EFFORTS TO FORMULATE A GENERAL CODE OF CONDUCT ON TRANSNATIONAL  
CORPORATIONS I SEE THE TWO EFFORTS AS BEING COMPLEMENTARY. IN FACT,  
IF WE CAN PROVE TO OURSELVES THAT IT IS POSSIBLE TO TAKE EFFECTIVE  
ACTION IN THIS LIMITED AREA WHERE THERE IS FUNDAMENTAL AGREEMENT,  
IT SHOULD HELP US IN OUR EFFORTS TO REACH GENERAL AGREEMENT ON SOME  
OF THE WIDER ISSUES.

SIR, I HAVE TOUCHED UPON BUT A FEW QUESTIONS ARISING FROM OUR  
AGENDA. I DID NOT COME TO MAKE A CATALOGUE OF OUR WORK OR OF MY OWN  
GOVERNMENT'S ACTIONS OR INTENTIONS. RATHER, MY MAIN PURPOSE HERE IS  
A VERY SIMPLE ONE. IT IS TO SHARE WITH YOU MY OWN CONVICTION THAT,  
IN ALL OF OUR DELIBERATIONS IN THE EVALUATION WE GIVE TO THE DOC-  
UMENTS AND REPORTS WE EXAMINE, WE MUST NEVER LOSE TRACK OF THE BASIC  
NEEDS OF HUMAN BEINGS. WE HAVE AMPLE FACTS AND STATISTICS BEFORE  
US, AND WE SHOULD EXAMINE THEM. WE HAVE PROGRESS REPORTS ON GOVERN-  
MENTS' IMPLEMENTATION OF UN RESOLUTIONS, AND WE WILL CONSIDER THEM.  
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BUT, IN EACH CASE, LET US ASK HOW OUR EFFORTS CONTRIBUTE TO SOCIAL CHANGE, AND ESPECIALLY HOW WE AFFECT POOR NATIONS AND POOR PEOPLE IN EVERY NATION. WE RECOGNIZE THAT THERE CANNOT BE SOCIAL JUSTICE UNLESS THE FRUITS OF THE EXPANSION OF THE WORLD ECONOMY ARE EQUITABLY SHARED AND SERVE TO MEET GOALS OF ECONOMIC DEVELOPMENT. BUT, THERE CANNOT BE LASTING ECONOMIC DEVELOPMENT WITHOUT SOCIAL JUSTICE. DEVELOPMENT MUST BE LINKED WITH LIBERATION -- FROM POVERTY, DEPENDENCE AND DEGRADATION. IMPRESSIVE GROWTH RATES, THE FULFILLMENT OF TARGETS ARE NOT ENOUGH. INDEED, FIXATION ON SUCH NUMERICAL GOALS, IF CARRIED TO EXCESS, CAN EVEN BE SELF-DEFEATING, AS THEY MAY DIVERT ATTENTION FROM OVERCOMING POVERTY AND GROSS IMBALANCE BETWEEN RICH AND POOR. I WOULD RECALL THAT DR RAUL PREBISCH, THE FATHER OF UNCTAD, SAID RECENTLY AT THE GUATEMALA CITY MEETING OF ECLA THAT THE NEW INTERNATIONAL ECONOMIC ORDER MEANS NOTHING IF IT DOES NOT DEAL WITH POVERTY AND INJUSTICE.

THIS MEANS, FELLOW DELEGATES, THAT CREATING A NEW INTERNATIONAL ECONOMIC ORDER DOES NOT MEAN ONLY EQUALITY OF OPPORTUNITY FOR ALL STATES TO SHARE IN THE FRUITS OF THE CONTINUED EXPANSION OF THE GLOBAL ECONOMY BUT EQUALITY OF OPPORTUNITY ALSO FOR ALL PEOPLE WITHIN THOSE STATES.

DURING THE PERIOD 1971-1975, THE GROWTH RATE OF THOSE DEVELOPING COUNTRIES THAT HAD ATTAINED A PER CAPITA GROSS DOMESTIC PRODUCT OF MORE THAN \$200 IN 1970 EXCEEDED THE 6 PERCENT GROWTH TARGET SET IN THE INTERNATIONAL DEVELOPMENT STRATEGY FOR DEVELOPING COUNTRIES

AS A WHOLE. COUNTRIES BELOW THE \$200 FIGURE AVERAGED ONLY 3.5 PERCENT. THE PER CAPITA GROWTH OF THE LATTER COUNTRIES WAS ONLY 0.9 PERCENT PER YEAR, AS COMPARED TO THE IDS GOAL OF 3.5 PERCENT PER CAPITA GROWTH FOR DEVELOPING COUNTRIES AS A WHOLE. HOW THESE DEVELOPMENTS ACTUALLY AFFECTED THE PEOPLE IN THSE COUNTRIES, WE DARE

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HARDLY SPECULATE. NOR DO THESE FIGURES TELL US ANYTHING ABOUT THE PROBLEMS OF THE LEAST ADVANTAGED PEOPLE IN ALL COUNTRIES. BUT WE DO KNOW THAT FOR THESE PEOPLE TO JOIN IN BUILDING THE SOCIETY WE ARE SEEKING FOR ALL, THEY WILL NEED ADEQUATE FOOD; THEY WILL NEED SHELTER AND HEALTH CARE; THEY WILL NEED EDUCATION AND A CHANCE TO PARTICIPATE MEANINGFULLY TO THE NATION'S ECONOMIC LIFE.

ALL OF US, FELLOW DELEGATES, IN DEVELOPED AND DEVELOPING COUNTRIES, SOCIALIST AND MARKET ECONOMY COUNTRIES, MUST MAKE A COMPACT TO MEET

THESE BASIC HUMAN NEEDS. NO GROUP OF COUNTRIES CAN DISCLAIM RESPONSIBILITY FOR PARTICIPATING IN THIS UNIVERSAL ENDEAVOR. WE MUST SIT DOWN AND DECIDE ON WHAT RESOURCES ARE NEEDED, HOW THEY CAN BE PROVIDED AND HOW COSTS CAN BE SHARED. WE LOOK ON THIS GREATER EMPHASIS ON MEETING BASIC HUMAN NEEDS AS A NEW AND VITAL DIMENSION TO A BROADER STRATEGY FOR DEVELOPMENT. IT WOULD NOT BE DESIGNED TO SUPPLANT PROGRAMS TO DEVELOP THE INFRASTRUCTURE AND PRODUCTIVITY OF DEVELOPING COUNTRIES, WHICH ARE ESSENTIAL IF THESE COUNTRIES ARE

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CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03 NSAE-00  
NSC-05 PA-02 PRS-01 SP-02 SS-15 USIA-15 AID-05  
CEA-01 COME-00 EB-07 FRB-01 OPIC-06 TRSE-00  
LAB-04 EPG-02 SIL-01 AGRE-00 OMB-01 OES-07 ACDA-10  
ERDA-07 FEA-01 NRC-07 STR-04 ITC-01 DHA-02 /193 W  
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R 110652Z JUL 77  
FM USMISSION GENEVA  
TO SECSTATE WASHDC 9006  
INFO AMEMBASSY ROME  
AMEMBASSY PARIS  
AMEMBASSY VIENNA  
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INCREASINGLY TO ASSUME THE BURDEN OF MEETING THE BASIC HUMAN NEEDS OF THEIR OWN PEOPLE. I WOULD PROPOSE FOR YOUR CONSIDERATION THAT THIS PROCESS OF ANALYSIS COMMENCE AT VARIOUS LEVELS IN CENTRAL AND SPECIALIZED BODIES OF THE UN AND IN THE REGIONAL ECONOMIC COMMISSIONS. ALL UN MEMBERS SHOULD HAVE THE OPPORTUNITY OF DISCUSSING THE NEEDS OF THE POOREST, AS THEY SEE THEM. THEY SHOULD POOL THEIR IDEAS AND REFLECTIONS ON HOW THIS ORGANIZATION CAN BEST CONTRIBUTE TO THE COMMON EFFORT AT MEETING BASIC HUMAN NEEDS.

AN ENCOURAGING EXAMPLE, MR PRESIDENT, IS THE ACTION TAKEN AT THE WORLD FOOD CONCIL SESSION HELD IN MANILA LAST MONTH. THE COUNCIL, IN ITS BALANCED RECOMMENDATIONS, RECOGNIZED THE NEED FOR ADDITIONAL ASSISTANCE FROM TRADITIONAL AND NEW DONORS WHILE ALSO CALLING ATTENTION TO THE NEED FOR SELF-HELP MEASURES AND PROPER PRIORITIES

WITHIN THE DEVELOPING COUNTRIES - ALL IN THE INTEREST OF MEETING THE NEEDS OF POOR PEOPLE.

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THE UNITED STATES OF AMERICA PLEDGED ITSELF AT THE PARIS CONFERENCE TO SUBSTANTIALLY RAISE THE LEVELS OF ECONOMIC ASSISTANCE WE WILL PROVIDE BOTH BILATERALLY AND THROUGH INTERNATIONAL INSTITUTIONS. BUT IT WOULD BE DISINGENUOUS TO IGNORE THE FACT THAT OUR CAPACITIES WILL DEPEND SUBSTANTIALLY ON THE STATE OF OUR OWN ECONOMY. I WILL CONCLUDE, THEREFORE, WITH A FEW REMARKS ABOUT WHAT WE ARE PLANNING TO ACHIEVE WITHIN THE US IN THE YEARS IMMEDIATELY AHEAD.

THE UNITED STATES ECONOMY, LIKE MOST OTHERS, HAS BEEN STRUCK BY A SERIES OF SHOCKS WHICH CULMINATED IN THE WORST INFLATION AND THE WORST RECESSION THAT WE HAD IN DECADES. THESE INCLUDED THE

JUMP IN FOOD PRICES IN 1972-73, COMBINED WITH A RISE IN RAW MATERIALS PRICES DUE TO HEAVY DEMAND, AND A QUADRUPLING OF OIL PRICES. WHILE MY COUNTRY HAS BEEN MORE SUCCESSFUL THAN SOME OTHERS IN RECOVERING FROM THESE IMMEDIATE SHOCKS, SOME SEVERE PROBLEMS REMAIN. UNEMPLOYMENT IS AT FAR HIGHER LEVELS THAN THOSE WE ARE ACCUSTOMED TO. WHILE INFLATION RATES HAVE DECLINED SOMEWHAT, THEY REMAIN UNSATISFACTORY.

THEREFORE, WE HAVE SET GOALS OF FURTHER REDUCING THE RATE OF INFLATION THROUGH COOPERATION WITH BUSINESS AND LABOR AND, MOST IMPORTANT, OF BRINGING OUR RATE OF UNEMPLOYMENT DOWN TO 4-3/4 PERCENT BY 1981, A RATE WHICH IS CLOSE TO NORMAL IN OUR HIGHLY MOBILE LABOR FORCE.

IN ORDER TO REACH THESE OBJECTIVES, OUR ECONOMY WILL NEED TO GROW BETWEEN NOW AND 1981 AT AN AVERAGE REAL RATE OF ABOUT 5 PER CENT PER YEAR. NEARLY 10 MILLION NEW JOBS WILL HAVE TO BE CREATED. THESE GOALS, IN TURN, MEAN THAT CONSUMER CONFIDENCE MUST REMAIN HIGH. MOST IMPORTANT, BUSINESS FIXED INVESTMENT WILL HAVE TO RISE BY ABOUT 9 TO 10 PERCENT A YEAR BETWEEN NOW AND 1981, IN ORDER TO ENSURE FULL EMPLOYMENT WHILE GUARDING AGAINST INFLATION-CAUSING  
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BOTTLENECKS.

THESE GOALS WILL BE REALIZABLE ONLY IF AN IMPORTANT CHANGE TAKES PLACE IN THE US. THE PRESENT DARK CLOUD OF UNCERTAINTY IN THE MINDS OF BUSINESS INVESTORS AND IN FINANCIAL MARKETS MUST BE LIFTED. THEREFORE, THE GOVERNMENT HAS GIVEN PRIORITY TO RESTORING CONFIDENCE

THAT STABLE AND SUSTAINED ECONOMIC GROWTH IS ATTAINABLE IN THE FUTURE.

WORDS ALONE CANNOT PROMOTE THIS CHANGE. THE FEDERAL GOVERNMENT MUST SHOW ITS OWN CAPACITY TO CONTRIBUTE TO SUCH A STABLE ENVIRONMENT THROUGH THE ECONOMIC LEVER MOST DIRECTLY UNDER CONTROL -- THE BUDGET. THE DANGER RESULTING FROM AN IMBALANCED BUDGET IS NOT THE DEFICIT ITSELF BUT THE RISK THAT THE DEFICIT WILL REVIVE INFLATIONARY FORCES AND EVENTUALLY UNDERMINE OUR ENTIRE PROGRAM. WE THEREFORE HAVE SET A GOAL OF ATTAINING A BALANCED BUDGET BY 1981 AND SUSTAINING IT THEREAFTER. SINCE DECISIONS TAKEN NOW WILL AFFECT BUDGETS YEARS HENCE, WE MUST TAKE THEM WITH THIS GOAL IN MIND.

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ACTION IO-14

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LAB-04 EPG-02 SIL-01 AGRE-00 OMB-01 OES-07 ACDA-10  
ERDA-07 FEA-01 NRC-07 STR-04 ITC-01 DHA-02 /193 W  
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R 110652Z JUL 77  
FM USMISSION GENEVA  
TO SECSTATE WASHDC 8007  
INFO AMEMBASSY ROME  
AMEMBASSY PARIS  
AMEMBASSY VIENNA  
USUN NEW YORK 5248  
AMEMBASSY BRUSSELS

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THESE WILL CONTINUE TO BE IMPORTANT CONSIDERATIONS FOR US IN CONDUCTING OUR NATIONAL AND ALSO INTERNATIONAL ECONOMIC POLICY IN THE COMING YEARS.

BUT WE WILL NOT CONDUCT THIS POLICY IN ISOLATION.

WE MUST ALL REMEMBER THAT WE LIVE IN AN INTERDEPENDENT INTERNATIONAL ECONOMIC SYSTEM. HENCE, WHEN INDUSTRIALIZED COUNTRIES CONTRIBUTE TO THE DEVELOPMENT PROCESS IN THE THIRD WORLD, WE LAY THE BASIS FOR A GREATER GENERAL LEVEL OF PROSPERITY AND

ECONOMIC ACTIVITY WHICH IN THE END WILL BENEFIT ALL NATIONS,  
INCLUDING OURSELVES. BY THE SAME TOKEN, HEALTHY ECONOMIES  
IN THE INDUSTRIALIZED COUNTRIES ENHANCE THEIR CAPACITY TO  
PROVIDE ASSISTANCE, MARKETS AND INVESTMENTS BENEFITING DEVELOPING  
COUNTRIES.

INTERDEPENDENCE ALSO MEANS THAT FAILURE TO CONSIDER THE IMPACT  
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OF OUR DECISIONS ON OTHER COUNTRIES COULD DO GREAT HARM.  
WE PLEDGE OURSELVES TO TAKE THAT RESPONSIBILITY MOST SERIOUSLY.  
MR. PRESIDENT, ANY NEW INTERNATIONAL ECONOMIC ORDER MUST  
FULLY RESPECT THE SOVEREIGN RIGHTS OF NATIONS TO MAINTAIN  
THEIR OWN ECONOMIC SYSTEMS. BUT IT ALSO REQUIRES THAT DEC-  
ISIONS MADE WITHIN EACH SYSTEM MUST FULLY TAKE INTO ACCOUNT  
THE NEEDS OF OTHERS. WHILE MY COUNTRY CANNOT FULFILL EVERY  
HOPE AND EXPECTATION TODAY, WE WILL NOT FORGET OUR RESPONSI-  
BILITIES AS A MEMBER OF THIS INTERDEPENDENT WORLD COMMUNITY.

THANK YOU, MR. PRESIDENT. END TEXT.SORENSEN

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Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009